

US Launches Critical Minerals Strategy and New 'Reciprocal Trade' Deals

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The U.S. Trade Representative (USTR) recently announced three major trade and economic initiatives that the administration describes as part of a broader strategy to address large and persistent U.S. trade deficits, concerns about reciprocity in bilateral trade relationships, and other unfair trade practices, while deepening economic and national security cooperation and reinforcing Western Hemisphere supply chains. On January 29, a U.S.-El Salvador Framework for an Agreement on Reciprocal Trade was [announced](#), which includes commitments to improve market access, regulatory alignment, and supply chain resilience. The next day, the USTR [announced](#) a U.S.-Guatemala Framework for an Agreement on Reciprocal Trade, aimed at reducing nontariff barriers and rolling back reciprocal tariffs for qualifying Guatemalan exports. On February 4, the U.S. [announced](#) a U.S.-Mexico Action Plan on Critical Minerals, focused on coordinated trade policies and exploring potential border-adjusted price floors, further advancing U.S. efforts to enhance resilience and coordination in critical minerals supply chains with key allies.

US-Mexico Critical Minerals Action Plan

The newly announced U.S.-Mexico Action Plan on Critical Minerals is a framework under which the U.S. and Mexico will address critical mineral supply chain vulnerabilities and nonmarket distortions. The two governments will identify specific critical minerals of interest and develop coordinated trade policies and mechanisms, including possible border-adjusted price floors on imports of those minerals. They will also consider how such measures could be incorporated into a future plurilateral trade agreement on critical minerals with other like-minded countries. The framework includes regulatory, technical, and investment cooperation, such as information sharing between the U.S. Geological Survey and the Mexican Geological Survey, identification of priority mining, processing, and manufacturing projects in both countries (and potentially in third countries), and support for projects that follow internationally recognized responsible business conduct and environmental, social and governance standards. Depending on how it is implemented, this initiative could affect long-term contracts, sourcing strategies, and risk management across critical minerals supply chains, including for sectors such as electric vehicles, batteries, electronics, and defense.

US-Guatemala Framework for an Agreement on Reciprocal Trade

The U.S.-Guatemala Framework for an Agreement on Reciprocal Trade (the Guatemala Framework) builds on the Dominican Republic-Central America-U.S. Free Trade Agreement and is intended to expand U.S. access to the Guatemalan market while advancing stated U.S. economic and security objectives. In return for Guatemala's commitments under the Guatemala Framework, the U.S. will remove reciprocal tariffs on certain qualifying

Guatemalan exports, including products that cannot be grown, mined, or produced in sufficient quantities in the U.S., as well as specified textile and apparel goods qualifying under the CAFTA-DR.

A core element of the Guatemala Framework is reduction of nontariff barriers to U.S. industrial and agricultural exports. Guatemala has agreed to streamline regulatory requirements and approvals by accepting vehicles and parts built to U.S. motor vehicle safety and emissions standards; recognizing U.S. Food and Drug Administration certificates and prior marketing authorizations for medical devices and pharmaceuticals; accepting remanufactured goods from the U.S.; using electronic certificates; simplifying certificate-of-free-sale requirements; removing apostille and similar formalities; and expediting product registration.

For agriculture, Guatemala will base measures on science and risk, rely on U.S. regulatory oversight, and accept agreed U.S. certificates for imports. Guatemala has further committed that use of common cheese and meat terms (e.g., parmesan, gruyere, mozzarella, feta, asiago, salami, and prosciutto) will not, by itself, be used to restrict market access for U.S. exporters.

The Guatemala Framework also covers services, digital trade, and intellectual property. Guatemala will work to avoid barriers to services and digital trade with the U.S. and will refrain from imposing discriminatory digital services taxes. Guatemala supports a permanent World Trade Organization (WTO) moratorium on customs duties on electronic transmissions. On IP, Guatemala will strengthen protection and enforcement by moving toward key international intellectual property (IP) treaties and addressing issues identified in the [2025 Special 301 Report](#), including more effective enforcement cooperation, increased criminal prosecutions, and clearer rules and procedures for geographical indications (GIs).

On regulatory governance, Guatemala has committed to “good regulatory practices,” including publication of proposed measures and draft text, public consultations, and publication of regulatory priorities under development, amendment, or repeal.

The Guatemala Framework also includes labor, environmental, and security-related provisions. Guatemala has committed to protect internationally recognized labor rights and to prohibit imports of goods made with forced or compulsory labor, supported by improved labor inspections and enforcement. Environmentally, Guatemala will maintain and enforce its environmental laws and take measures to improve forest governance and combat illegal logging, strengthen fisheries enforcement, address illegal wildlife trade and illegal mining, and fully implement the WTO Agreement on Fisheries Subsidies.

From an economic security perspective, the U.S. and Guatemala will cooperate to enhance supply chain resilience, address nonmarket policies of other countries, combat duty evasion, and coordinate on investment security and export controls. Guatemala will also take steps to limit access to central-government procurement covered by its FTA commitments for suppliers from non-FTA partners, in a manner similar to U.S. procurement restrictions, and will address potentially distortive conduct by state-owned enterprises and industrial subsidies.

US-El Salvador Framework for an Agreement on Reciprocal Trade

The U.S.-El Salvador Framework for an Agreement on Reciprocal Trade (El Salvador Framework) incorporates many of the same elements as the Guatemala Framework and also builds on the CAFTA-DR. It is intended to

expand U.S. access to the Salvadoran market and support identified U.S. economic and national security policies. In light of El Salvador's announced commitments, the U.S. will remove reciprocal tariffs on certain qualifying Salvadoran exports that cannot be grown, mined, or produced in sufficient quantities in the U.S. and will provide preferential treatment for specified textiles and apparel originating under the CAFTA-DR.

El Salvador has agreed to reduce nontariff barriers affecting U.S. exports by streamlining regulatory requirements and approvals, including for pharmaceuticals and medical devices; accepting vehicles and parts built to U.S. motor vehicle safety and emissions standards; removing import restrictions on remanufactured goods; accepting electronic certificates and simplified certificate-of-free-sale procedures; eliminating apostille requirements; and expediting product registration for U.S. exports.

In agriculture, El Salvador will address and prevent barriers related to fumigation, facility registration, and product registration, and will rely on U.S. regulatory oversight and certificates. As with Guatemala, El Salvador has committed that market access for U.S. agricultural exporters will not be restricted solely due to the use of common cheese and meat terms (e.g., parmesan, gruyere, mozzarella, feta, asiago, salami, and prosciutto) and will apply transparent and fair processes to GIs.

On digital trade and services, El Salvador has committed to avoid barriers to services and digital trade with the U.S. and to refrain from imposing discriminatory digital services taxes. The U.S. and El Salvador support a permanent WTO moratorium on customs duties on electronic transmissions. El Salvador will also enhance IP protection and enforcement, including progress on key international IP treaties and clearer standards for GI protection, and will continue to implement good regulatory practices through publication of proposed measures, consultations, and transparency regarding future regulatory plans.

The El Salvador Framework includes commitments on labor and the environment. El Salvador has committed to protect internationally recognized labor rights and to prohibit imports produced by forced or compulsory labor. Environmentally, it will maintain and enforce environmental laws, improve forest governance and combat illegal logging, strengthen fisheries enforcement, address illegal wildlife trade and illegal mining, and work toward accepting and implementing the WTO Agreement on Fisheries Subsidies.

From a security standpoint, the U.S. and El Salvador will cooperate on supply chain resilience, responses to nonmarket policies of other countries, enforcement against duty evasion, and coordination on government procurement, investment screening, and export controls. El Salvador will address potentially distortive actions by state-owned enterprises and industrial subsidies. The U.S. may take El Salvador's implementation of the El Salvador Framework into account when considering national security-based trade actions (e.g., under Section 232 of the Trade Expansion Act of 1962).

Cross-Cutting Themes and Next Steps

Across these recent economic and trade initiatives, several common elements are relevant to companies:

- **Reciprocal trade and tariffs:** Guatemala and El Salvador will receive relief from new reciprocal tariffs and expanded preferential treatment (especially for textiles and apparel) in exchange for commitments on regulation, labor, environment, and security.
- **Nontariff barrier reduction:** Each of these arrangements emphasizes reliance on U.S. standards and

decisions, reduced duplicative testing and approvals, and greater use of electronic documentation, including for automotive products, medical devices, pharmaceuticals, agricultural goods, and remanufactured products.

- **Geographical indications and IP:** The Guatemala Framework and El Salvador Framework address GI-related concerns and protect the use of commonly used cheese and meat terms, while strengthening IP enforcement and treaty alignment.
- **Labor, environment, and forced labor:** Each agreement includes labor?rights and environmental obligations, including express prohibitions on imports made with forced or compulsory labor and commitments on forestry, fisheries, mining, and wildlife.
- **National security and supply chains:** The initiatives link trade cooperation to supply chain resilience and national security, including coordination on export controls, investment screening, government procurement, and enforcement against duty evasion and nonmarket practices.

For U.S. exporters to Guatemala and El Salvador, companies should identify which of their products may qualify for tariff relief or streamlined procedures, verify that those products satisfy CAFTA?DR's rules of origin, update compliance processes to use electronic certificates and reduced apostille/registration requirements, and monitor (and where useful, comment on) implementing regulations. For companies involved in critical minerals and advanced manufacturing supply chains, the U.S.-Mexico Action Plan indicates movement toward more coordinated critical minerals policies, including possible price?based measures. These companies should review their exposure to covered minerals, assess how border?adjusted pricing or similar tools could affect their contracts and sourcing, and consider whether existing or planned projects are positioned to receive policy or financing support.

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